

Thomas Jefferson to Thomas Munroe, December 4, 1808, with Copy, from Thomas Jefferson and the National Capital. Edited by Saul K. Padover.

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JEFFERSON TO THOMAS MONROE

The case of the sale of city lots under a decree of the Chancellor of Maryland.

The deed of the original owners of the site of the city of Washington to certain trustees, after making provisions for streets, public squares, &c., declares that the residue of the ground, laid off in building lots, shall one moiety belong to the original proprietors, and the other moiety shall be sold on such terms and conditions as the President of the United States shall direct, the proceeds, after certain specified payments, to be paid to the President as a grant of money, and to be applied for the purposes, and according to the Act of Congress; which Act of Congress (1790, c. 28) had authorized the President to accept grants of money, to purchase or to accept land for the use of the United States, to provide suitable buildings, &c. Of these residuary building lots, one thousand were sold by the Commissioner to Greenleaf for \$80,000, who transferred them to Morris and Nicholson, with an express lien on them for the purchase money due to the city. Under this lien the Chancellor of Maryland has decreed that they shall be sold immediately for whatever they will bring; that the proceeds shall be applied first to the costs of suit and sale, and the balance towards paying the original purchase money. The sale has now proceeded, for some days, at very low prices, and must proceed till the costs of suit and sale are raised. It is well understood that under no circumstances of sale, however

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favorable, can they pay five in the pound of the original debt; and that if the whole are now forced into sale, at what they will bring, they will not pay one in the pound; and being the only fund from which a single dollar of the debt can ever be recovered, (on account of the bankruptcy of all the purchasers,) of \$25,000 which the lots may bring if offered for sale from time to time pari-passu with the growing demand, \$20,000 will be lost by a forced sale. To save this sum is desirable.

And the interest in it being ultimately that of the United States, I have consulted with the Secretary of the Treasury and Comptroller, and after due consideration, I am of opinion it is for the public interest, and within the powers of the President, under the deed of trust and laws, to repurchase under the decree, at the lowest prices obtainable, such of these lots as no other purchaser shall offer to take at what the Superintendent shall deem their real value, that is to say, what they will in his judgment sell for hereafter, if only offered from time to time as purchasers shall want them. The sums so to be allowed for them by the Superintendent to be passed to the credit of Greenleaf, and retaining a right to the unsatisfied balance as damages due for non-compliance with his contract; a matter of form only, as not a cent of it is expected ever to be obtained. I consider the reconveyance of these lots at the price which the Superintendent shall nominally allow for them, as replacing them in our hands, in statu quo prices, as if the title had never been passed out of us; and that thereafter they will be in the condition of all other lots, sold, but neither conveyed nor paid for; that is to say, liable to be resold for the benefit of the city; as has been invariably practiced in all other cases. The Superintendent is instructed to proceed accordingly.

[Pp. 395–6, WRITINGS OF JEFFERSON, Washington, Vol. V, Memorial Edition, XII, pp. 206–8.]